

**From:** Kathryn Crosby [REDACTED]  
**Sent:** Wednesday, 21 December 2016 11:17 AM  
**To:** Dairy Inquiry  
**Subject:** Misinformation in the dairy debate and improper marketing

Dear ACCC Dairy Inquiry,

My apologies for not sending this to you prior to the 12th as requested, but what I'd like to bring to your attention didn't happen until after that date. However, I consider it a significant enough example of misinformation in the dairy debate, and the emotional manipulation of that misinformation for commercial gain, that it was worth drawing it to your attention.

A week ago, on the 13th of December, Harris Farm Markets announced their new Farmer Friendly Milk range, a deal worked out with Norco where they claim they are paying more per litre to the co-operative and

returning more to the farmer, 'because it's the right thing to do'. The post on Facebook (as well as in other locations) said that they were removing \$1 milk from their shelves because, quote "Cheap doesn't mean cheap at all costs. Especially if that cost is the lives and livelihoods of Aussie dairy farmers and their families."

Repeatedly throughout the thread on Facebook Harris Farm Markets made numerous dubious claims about dairy pricing arrangements with the clear intent of emotionally manipulating consumers. Demeaning those who buy \$1 milk to generate feelings of moral superiority for Harris Farm customers, Tristan Harris, identifying himself by name in a number of posts, or others on behalf of the company claimed that:

- it was cheap milk that was hurting the industry and farmers
- global dairy prices had only minimal impact, or just an added impact on top of low retail prices
- other dairy brands are 'all' major multi-national companies that send the profits overseas
- that other processors pay below the cost of production and this one (Norco) doesn't, or that only Norco would tell them their farm gate price
- implying or stating that farmers will get paid more for their milk because of this deal (albeit in other posts being more clear that the way they get more money is through co-op profit sharing)

There are near to 1000 comments, most of which are just asking for store locations, but it does take some reading to get through it

all <https://www.facebook.com/harrisfarmmarkets/photos/a.127262870648003.9490.127260787314878/1486439274730349/?type=3&theater>

The average consumer is not well informed on these matters, nor should they have to be, but as I am from a farming family and well schooled in policy (with the added benefit that my father is the recently retired Executive Director of the South Australian Dairy Authority), I am and was confident enough to refute the misinformation. After I confronted and began to progressively work through the misleading claims, and attack Harris Farm Markets for their unethical marketing tactics - in particular the blaming of those who buy cheaper milk as being responsible for farmer suicide - I was messaged by Tristan Harris directly to try and 'convert' me to supporting the deal. He seemed to become quite angry when I repeated again what I had already said - that I didn't oppose the deal Norco had done, just the marketing and rhetoric of Harris Farm Markets - losing any veil of professionalism.



**Harris Farm Markets**

10:48

Shut you up?? Why on earth would we want to do that? Every time you comment the Facebook algorithm picks it up and says that people are interested in this and bumps our organic reach up. Poor old facebook can't tell that you are a frustrated politician/academic with no idea about commercial reality - screaming here because you've got no voice on your own meager social following. You're generating zero negative reaction (because you are wrong) so your voice on our post is helping our cause tremendously. Keep up the good work champ.

In response to further provocations and direct attacks, I eventually posted this post on my own Facebook page asking people to tell Harris Farm that their marketing tactics are not ok. <https://www.facebook.com/kcrosby/posts/10158000685385327>

Tristan Harris then admitted on his feed that they had knowingly and deliberately invoked farmer suicide in the marketing of the Farmer Friendly Milk range, but did not apologise, only conceding to remove the words 'lives and' from the original Facebook post.



**Harris Farm Markets** Hi Joe and Kathryn. The rate of farmer suicide is appalling and we didn't want to have a chance that anything we did would contribute in any way to that problem. That is what was meant by the comment. We fact checked the comment and there are news articles which link milk prices to at least one suicide. However the LAST thing I want is for some poor family to have the motivations of a suicide of their relative become the issue here and for that to become the debate. I can't show any direct link between farmer suicide and \$1/l milk and in order to keep this campaign a positive thing I will gladly remove the one offending word. The intention, thrust and result of this move remains a good thing.

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While farmers may prefer that their product is not sold at lower price points, and of course anything that yields higher returns to farmers is always good, this kind of emotional manipulation of the issue for commercial gain at the retail level is, I believe, unconscionable and unethical.

The conflation of the behaviour of Murray Goulburn (and Fonterra, although they of course were locked in to Murray Goulburn's price) and \$1 milk is a most unfortunate one. The pleading of Murray Goulburn farmers for people to buy branded milk was something I didn't agree with, as the argument was flawed, but as it was a corporate decision of Murray Goulburn to issue the step down/clawback and increased sales Murray Goulburn's brands may have marginally increased profits thus putting them in a position to ease up on that - or not cut the price so hard this year - it had some limited validity.

The political attacks on cheap milk, particularly by Barnaby Joyce, are foolhardy and without basis, but politicians always say dumb things without basis. I've seen plenty of strange charitable appeals too from drought-like appeals to donate feed and grocery vouchers to farmers nation wide, and one wanting to give farmers a holiday (on the fundraiser's resort, of course) which only serve to underline the stunning lack of understanding of the issues involved.

Competitor retailers using misinformation and emotional manipulation about the dairy industry, pricing information, and most abhorrently \*farmer's lives\* to increase retail milk sales is a different matter I believe, and one that should not be tolerated.

I do hope you will consider this aspect as part of your inquiry. If the specific matter of Harris Farm Market's tactics should be referred for consideration by another body or another part of the ACCC's work, I trust that you will do as you see fit.

Sincerely and with thanks for your efforts,

Kathryn Crosby

[REDACTED]